



NEWS RELEASE

United States Department of Agriculture Rural Development
Rm. 152 Federal Building 100 Centennial Mall North Lincoln, Neb. 68508
(402) 437-5551 (Phone) (402) 437-5093 (TDY) (402) 437-5408 (Fax)

Contact: Deb Yocum (402) 223-3125

Nearly \$19.5 Million Available To Assist in Value-Added Ventures

Lincoln, Neb., January 9, 2006—The United States Department of Agriculture (USDA) Rural Development is accepting competitive applications for nearly \$19.5 million in grants to develop value-added agriculture business ventures and alternative sources of renewable energy.

The \$19.5 million offered through the Value-Added Producer Grant (VAPG) program encourages independent producers of agricultural commodities to process their raw products into marketable, value-added goods, thereby increasing farm income.

The VAPG program is open to eligible independent producers, agricultural producer groups, farmer or rancher cooperatives, and majority-controlled producer-based business ventures. Value-added products are those agricultural products, which gain value through processing, production, segregation or other means, or produce renewable energy on a farm or ranch.

The maximum allowable grant amount is \$100,000 for a planning grant and \$300,000 for working capital. Matching funds are required for eligibility. Grant funds may be used to fund one of the following two: (1) planning activities needed to establish a viable value-added marketing opportunity for an agricultural product (e.g. conduct a feasibility study, develop a business or marketing plan); or (2) acquire working capital to operate a value-added business venture that will allow producers to better compete in domestic and international markets.

Applications must be received no later than March 31, 2006. Detailed information about application and program requirements is included in the December 21, 2005 publication of the Federal Register.

For further VAPG program information, an application package or assistance with grant applications, contact USDA Rural Development representatives Cyd Janssen-Chadron, (308) 432-4616; Tim Brooks-Scottsbluff, (308) 632-2195; Mary Gambill-Ainsworth (402) 387-2242; Karissa Hagedorn-Kearney, (308) 237-3118; Teresa Olander-Bloomfield, (402) 373-4914; Dan Laska-Columbus, (402) 564-0506; or Deb Yocum-Beatrice, (402) 223-3125. The VAPG application package and templates can be found at:

<http://www.rurdev.usda.gov/rbs/coops/vadg.htm>.

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